

**COMMITTEE ON FOREIGN AFFAIRS  
U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C. 20515**

**STATEMENT OF  
THE HONORABLE ENI F.H. FALEOMAVAEGA  
CHAIRMAN**

**before the  
SUBCOMMITTEE ON ASIA, THE PACIFIC AND THE  
GLOBAL ENVIRONMENT**

**“Renegotiating the South Pacific Tuna Treaty: Closing Loopholes  
and Protecting U.S. Interests”**

**September 22, 2010**

This is the third in a series of hearings the Subcommittee has held on fisheries agreements of U.S. interest in Asia and the Pacific, the two previous having been held on July 16, 2007 and April 2, 2009. The purpose of this hearing is to determine what the Obama Administration’s views are on the status of negotiations over the extension of the current South Pacific Tuna Treaty (SPTT) agreement, which expires on June 14, 2013, and on such issues as revenue sharing, conservation, linkages between the treaty and the Western and Central Pacific Fisheries Convention, the Nauru agreement, and impacts on U.S. interests.

Of particular concern is the practice of transshipment of tuna caught under the auspices of the South Pacific Tuna Treaty. Under the terms of the Treaty, the U.S. government pays out \$18 million annually to the Pacific Island parties in return for the right of our U.S. tuna boats – limited to 40 licenses – to fish in the exclusive economic zones (EEZ) of the 16 Pacific Island nations which are parties to the Treaty. The U.S. tuna boats also pay the Pacific Island parties about \$3 million or more per year, depending on the amount of tuna caught.

According to the Congressional Research Service (CRS), the U.S. tuna boats harvest about \$250 million worth of tuna annually but the value of the tuna as it moves through the processing and distribution chain may be as much as \$500 million or more.

Of the approximate 300,000 metric tons of tuna that is caught by the U.S. tuna fishing fleet, more than 180,000 metric tons is transshipped and outsourced to foreign nations, like Thailand, which has become the world’s largest canned tuna producer and processes a large percentage of tuna caught in the Pacific region. This practice of outsourcing U.S.-caught resources has led to the off-shoring of American jobs given that Thailand’s fish cleaners, which are paid \$0.75 cents and less per hour, directly compete against workers in the U.S. who are paid in accordance with federal minimum wage laws.

American Samoa's economy, which is more than 80% dependent, either directly or indirectly, on the U.S. tuna fishing and processing industries, has been adversely affected with more than 2,000 workers now displaced. Puerto Rico and California have also suffered job losses as Thailand's private label business currently accounts for almost 30% of the U.S. market share.

The Subcommittee is interested in the Administration's views about how we can close these loopholes and more fully protect U.S. interests. The Subcommittee is also concerned about the environmental impact of over-fishing. According to CRS, the Western Pacific is "home to half the world's tuna stocks and some of the few remaining sustainable fishing areas in the world."

But in the time it takes for the older U.S.-built tuna boats to make 3 direct-deliveries to a U.S. port like American Samoa, the newest boats in the U.S. tuna fishing fleet, which are foreign-built and account for more than half of the available licenses, can make 5 transshipment deliveries by off-loading their catch to a big mother ship making it possible for these boats to return more quickly to the South Pacific Tuna Treaty fishing grounds where they can catch more and more tuna at a more and more maddening pace.

And this is only the story of the U.S. tuna fishing fleet. Asian countries account for an estimated 80% of tuna caught in the Pacific, according to Greenpeace, which means we must get serious about making modifications to the SPTT which will seriously address the issues of over-fishing and outsourcing. I am pleased that in 2007 modifications were made to allow U.S. long line vessels, along with purse seine and albacore troll vessels, to fish in the Treaty area, and I am hopeful that the other concerns I have also raised will be addressed.

The South Pacific Tuna Treaty has been in place since 1988 and was renewed in 1993 and again in 2003. The Treaty has served to reduce tension between the U.S. and Pacific Island nations which, prior to the agreement, regarded U.S. purse sieve vessels as operating illegally. But new concerns have arisen and Pacific Island nations rightfully want their fair share of profits, too.

His Excellency Johnson Toribiong, President of the Republic of Palau, has called for a Pacific Island summit to develop an OPEC-style organization to control the tuna industry which generates about \$4 billion annually. I support the efforts of the parties to the Nauru Agreement because, for too long, Pacific Islands, including American Samoa, have not received our fair share of these revenues.

Instead, our resources are being siphoned off by Thailand and other countries that are making billions of dollars at our expense. I believe if we will pull together, we might be able to level the playing field for all Pacific Islanders as well as our U.S. tuna fishing and processing industries but any forthcoming agreement or Treaty will need to make certain that the same monitoring, control and surveillance requirements being imposed upon U.S. vessels are also applied to major Asian fleets.